

**INSURANCE ADVISORY BOARD
100 NORTH ANDREWS AVENUE
8TH FLOOR CONFERENCE ROOM
FORT LAUDERDALE, FL 33301
WEDNESDAY, May 2, 2012 – 8:00 a.m.**

MEMBERS	ATTENDANCE	CUMULATIVE	
		PRESENT	ABSENT
Joseph Cobo, Chair	P	5	1
Mark Schwartz, Vice Chair	A	3	3
Joe Piechura, Sr.	P	6	0
Jim Drake	P	5	1
Charles Grimsley	P	5	1
Steve Botkin	A	4	2
Ted Hess	P	1	0

Staff

Guy Hine, Risk Manager
Denny Stone, Employee Benefits Coordinator
Matthew Cobb, Risk Management Coordinator
Paul Dawson, Public Risk Insurance Agency (PRIA)

Communications to City Commission

None.

1. Roll Call (including number of appointed members and quorum)

Chair Cobo called the meeting to order at 8:05 a.m.

As of this date, May 2, 2012, there are 7 appointed members to the Insurance Advisory Board, which means 4 would constitute a quorum. Roll was called and it was determined there was a quorum at this time.

2. Approve Minutes of April 4, 2012

Motion by Mr. Piechura, seconded by Mr. Grimsley, to approve the minutes of the April 4, 2012, meeting. In a voice vote, the motion passed unanimously.

3. Communications to City Commission

None.

4. Unfinished Business

None.

5. New Business

- **Motion to approve negotiation (with current vendor) method for public official and employment practices liability insurance.**

Mr. Hine discussed the policy options with the Board and requested a motion to negotiate with the current vendor for this policy renewal. The total cost of the policy for last year was \$156,887.

It was mentioned during the discussion that the policy was marketed last year and the City received five responses, with Chartis, the current vendor, being the clear winner on cost and coverage. The City has reported claims to the carrier for monitoring but none have breached the self-insured retention (SIR) for the last several years. Mr. Dawson confirmed that nothing has changed in the insurance market that would affect this policy for the upcoming year.

Motion by Mr. Grimsley, seconded by Mr. Drake, to approve the negotiation method with the current vendor for the public official and employment practices liability insurance policy renewal. In a voice vote, the motion passed unanimously.

- **Review of cyber liability exposure**

Mr. Hine discussed that this item was briefly mentioned at the end of the last Board meeting. He referenced the handout which is an article provided by Mr. Drake that examines the subject of cyber liability and public entities in more detail. Mr. Hine advised that staff had researched the item with the help of Mr. Dawson at PRIA, who had provided a general application survey for the Information Technology Services Department (ITS) to complete.

ITS returned the survey and risk assessment earlier this week to staff, and now they will need time to review it. Staff will coordinate with Mr. Dawson to evaluate the risk exposures of the City in conjunction with the coverage available and the associated cost. The outcome of this assessment will be reviewed with the Board at the next meeting in June for their input.

- **Suggested 2013 Health and Wellness plan changes**

Mr. Stone updated the Board on the current health plan results to date and provided a handout providing additional details. Staff is still designing next year's plan options for discussion with City management. Mr. Stone advised that there are three options which staff is focusing on in order to address the increasing health costs. The first is option is some form of internal City health clinic for employees. Secondly, staff is examining changes to the plan design and employee premiums in relation to increasing cost trend. Lastly, they continue to place an emphasis on employee wellness and active participation as a way to address trend.

The handout and information presented by Mr. Stone was discussed in depth by the Board. During the discussion it was brought up that the City currently pays approximately 82% of employee health costs. Mr. Hine mentioned that staff is considering following Broward County's lead in providing non-smokers a premium discount under the wellness program.

Chair Cobo commented that a City clinic would need to be actively used in the disease management program. Mr. Grimsley commented that employees need to be communicated with and educated on the health costs. Mr. Piechura suggested that staff emphasize during these education sessions with employees that their health data is protected through HIPAA (Health Insurance Portability and Accountability Act). Mr. Stone concluded that staff will continue to update the Board with additional information over the next several meetings.

6. Open Discussion – Old/New Business

Mr. Hine discussed the request made by the Board, at the last meeting on April 4th, for the final total cost of the property insurance policy renewal. He referred to the handout which showed the current coverages and final policy premium. He commented that the approved premium was \$2.167M and the final amount was \$2.166M, which is a slight reduction.

Mr. Hine mentioned that staff was planning on canceling the Board meeting in July as it falls on the 4th, which is a holiday. The Board would resume their normal meeting schedule again in August.

7. Schedule Next Meeting – August 1, 2012

8. Adjourn

Motion by Mr. Piechura, seconded by Mr. Hess, to adjourn the meeting. Hearing no objection, the meeting was adjourned at 8:50 a.m.